

UNITED STATES | ENGLAND | GERMANY | CHINA

March 10, 2010

BY E-MAIL

Bill Storm Project Manager Minnesota Department of Commerce 85 Seventh East Suite 500 St. Paul, MN 55101-2198

Re: Comments on Hiawatha Transmission Line Project Draft Environmental Impact Statement

Dear Mr. Storm:

Wells Fargo requests that the information provided in these comments be incorporated into the Final Environmental Impact Statement ("FEIS") and considered by the Department of Commerce in connection with its input into the Hiawatha Transmission Line Project decision and by the Public Utilities Commission in its decision on the Project.

Wells Fargo Bank, N.A. ("Wells Fargo") owns and occupies a corporate campus in Minneapolis located at 2701 Wells Fargo Way. Wells Fargo's interest in this matter stems from the inclusion in the Draft Environmental Impact Statement ("DEIS") of two alternatives for the location of the proposed Midtown Substation, designated in the EIS as Mt-28N and Mt-28S. Both of these potential locations were considered by the project applicant, Xcel Energy, but were rejected for reasons set forth in the DEIS. These alternatives were carried forward in the DEIS, however, as a result of the advisory task force ("ATF") process.

Siting the Midtown Substation at either of the ATF Alternatives would significantly and adversely effect Wells Fargo's ability to expand operations at its South Minneapolis Campus. As noted in the DEIS, Wells Fargo is an important employer both in the West Phillips neighborhood and in the City of Minneapolis as a whole. Wells Fargo employs approximately 4,500 people at its South Minneapolis campus, and likely could not substantially expand its operations without constructing an additional building and additional parking. Any negative impact on Wells Fargo's ability to expand at its current location

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would create an adverse socioeconomic impact on the area and on the City. This potential impact has not been addressed in the DEIS, and should be addressed in the FEIS.

If selected, a substation at ATF Alternative Mt-28N would occupy land that has been slated for development of an additional office building at the campus. The area that would be occupied by a substation if ATF Alternative Mt-28S is selected would take a parking lot that has been slated for expansion of Wells Fargo's existing parking ramp off of 28th street, known as the South Ramp. The statement in the DEIS that the parking lot is currently in use as a shuttle lot for Children's Hospital is inaccurate. That lot is used for parking by Wells Fargo employees. If the substation is put in either of the ATF Alternative locations, it would make it very difficult, if not impossible, for Wells Fargo to expand in its current location.

Impacts associated with substation siting at ATF Alternative Mt-28N

If the substation was located at this site, Wells Fargo's ability to expand at the South Minneapolis campus will be adversely affected. Wells Fargo's expansion plan for the campus anticipates the eventual addition of another building in the spot that would be occupied by a substation if the ATF Alternative Mt-28N site is selected. There is no other appropriate location for a building on the campus, and Wells Fargo's ability to expand in that location would likely be lost.

In addition, this site would likely be impacted by any expansion of I-35W in this area. When Wells Fargo went through the redevelopment process, there were extensive discussions with the various transportation agencies about the potential freeway expansion, and Wells Fargo agreed that it would give up some land adjacent to the freeway for any such expansion. Because different designs for the expansion have been prepared and discussed over the years, it is not known exactly how much land would be taken from Wells Fargo for that expansion. That said, any substation constructed here would need to be built in such a manner that a buffer is left for that potential freeway expansion.

There is discussion in the DEIS of mitigating the impacts of the substations by building them underground. This would likely not mitigate the adverse impacts on Wells Fargo's ability to expand, however, because if Wells Fargo decides to build a building to expand its operations, the building would likely be at least four stories tall and therefore would require substantial foundations. The DEIS does not address whether any structure could be built on an underground substation.

Impacts associated with substation siting at ATF Alternative Mt-28S

The South Ramp expansion is slated for the area that would be occupied by a substation if ATF Alternative Mt-28S is selected. Any expansion of operations would require parking expansion, as parking is already limited on the campus. There are currently 3,250 spots for 4,500 employees. The lot that is proposed as an alternative substation site provides

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approximately 275 of those spots. The Wells Fargo campus operates under a Travel Demand Management ("TDM") Plan approved by the City of Minneapolis. Under the TDM Plan, Wells Fargo promotes transit, ride sharing and alternative means of getting to work, such as the use of motorcycles or bicycles. The demand for parking spaces remains high, however. Wells Fargo is currently double-parking cars in its two ramps, the North and South Ramps. The parking lot immediately next to the South Ramp, the lot at issue, is also fully used by Wells Fargo.

Contrary to information presented in the DEIS, the lot has not been used as a shuttle parking lot for Children's Hospital since early 2009. The lot is now fully occupied by Wells Fargo employee vehicles during working hours. Wells Fargo's ability to replace the spaces (and the expansion potential) associated with that parking lot is extremely limited. The South Ramp was designed for expansion, but if ATF Alternative Mt-28S is selected for the Midtown substation site, the expansion space would be occupied by the substation and Wells Fargo could likely not expand the South Ramp as planned. Wells Fargo has an additional parking lot on the other side of the campus, but this ramp, known as the North Ramp, is an older ramp and can't be expanded. In order to expand parking in the North Ramp area, Wells Fargo would need to demolish the existing ramp and build a new one. Informal estimates of the cost of construction of a new parking ramp are in the range of \$18,000 per stall. This does not include costs of demolishing the old ramp or costs associated with relocating the current users of the ramp and paying for shuttle transportation to the campus for those employees. Side street parking in the area of the campus is already in high demand, and in any event, Wells Fargo discourages its employees from parking on the city streets.

As noted above, constructing the substation underground at ATF Alternative Mt-28S would likely not mitigate the adverse affects associated with selection of this site because the DEIS does not address whether any structure could be built on the land over an underground substation. As with the potential new office building, the potential expanded South Parking Ramp would require construction of foundations to support the building.

Wells Fargo thanks you for the opportunity to submit these comments and appreciates your consideration.

Best Regards, Eliyabeth & Schmusing /MAM

Elizabeth H. Schmiesing

Counsel for Wells Fargo Bank, N.A.

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